

SYSTEM AND METHOD FOR AVOIDING TRANSACTION COSTS
ASSOCIATED WITH TRADING ORDERS

ABSTRACT OF THE DISCLOSURE

A system for avoiding transaction costs associated with trading orders comprises a memory and a processor. The memory stores an order identifier associated with a 5 trading order, and a time threshold associated with the trading order. The processor monitors the length of time the trading order is active with a market center that is processing the trading order. The processor further determines a timeout when the length of time the trading 10 order is active with the market center equals or exceeds the time threshold. The processor then communicates a cancel instruction for the trading order in response to determining the timeout.